Small Business Roundtable

DOC
BC
S4882
D:S624
2010
c.3

SMALL BUSINESS ROUNDTABLE

5th Annual Report to Government | October 2010

Front cover photo credits include submissions from the following companies (clockwise):
Australian Ranch,
Eagle Plains Resources Ltd.,
T'Sou-ke Nation Smart Energy Group,
Feathercraft,
Elite Beauty Group and
Eagle Plains Resources Ltd.

LEGISLATIVE LIBRARY OF BRITISH COLUMBIA
3 3298 00387 0012

Contents

2. Message from the Small Business Roundtable
3. B.C. Small Business Successes
4. About Us
6. Meeting our Mandate
9. Recommendations to Government
12. Recommendations to the Small Business Community
14. The Voice of Small Business Is Being Heard
16. Our Commitments Moving Forward

Message from the Small Business Roundtable

As a voice of British Columbia's small business community, the Small Business Roundtable board is pleased to present the *5th Small Business Roundtable Annual Report to Government*. The report summarizes Roundtable key activities since the 4th report to government in October 2009.

In last year's annual report, we anticipated British Columbia's small business sector would persevere and, with resiliency and innovation, play a pivotal role in the province's road to economic recovery. Our belief has been realized: as clear signs of economic recovery emerge, B.C.'s small business sector continues to be key in job creation and economic growth.

2010 marks the beginning of a new decade. During the past ten years, considerable efforts have been made to improve the small business climate in the province and to help offset, as well as prepare for, changes in the economy. However, despite these efforts, gaps remain where more effort is needed. The board has included our recommendations, to government as well as to the small businesses community, to help focus the ongoing work needed to address these gaps. We believe these recommended actions will foster an even stronger small business climate in B.C.

The 2010 Vancouver Olympic and Paralympic Winter Games showcased the province to the world. B.C.'s hosting programs facilitated economic development connections during the Games and opened up new opportunities and relationships, which are continuing to benefit communities throughout the province. We believe this Olympic legacy- combined with the shared vision of an economic environment where taxes are increasingly competitive, businesses face less red tape, trade barriers are minimized and export growth is enabled- will help shape the future for small business in B.C.

The chair of the board, Hon. Iain Black, Minister of Small Business, Technology and Economic Development, along with the 20 board members from various regions and business sectors, would like to applaud the efforts and resilience of the small business community over the last year. With continued dialogue among small businesses, governments, industries and research organizations, our strong economic vision can be realized in this post-Olympic decade.

The Small Business Roundtable Board

B.C. Small Business Success Stories

To recognize the vital role small businesses play in communities throughout the province, eight small businesses, one from each economic region, have been selected to showcase examples of the kind of entrepreneurial ingenuity and diversity inherent in B.C.'s dynamic small business sector. The following businesses have been highlighted throughout the report:

Australian Ranch Ltd.	page 3
Starfish Medical	Page 6
Xomo Digital Inc.	Page 8
Heartstrings Home Decor Ltd.	Page 9
Eagle Plains Resources Ltd.	Page 10
Lindberg Construction Inc./ Swamp Donkey Oilfield Services Inc.	Page 11
Elite Beauty Group	Page 13
Chinook Cove Contracting	Page 16

Australian Ranch Ltd.

Cariboo Region

Australian Ranch, a family business for four generations, is a 300 grass fed beef cow operation. The Yorston family has expanded the business to also include the production of their beef dog food, dog treats and perennial flowers which are sold at the Quesnel Farmers' Market. This is coupled with a host of agri-tourism activities, in particular, the Australian Ranch's corn maze and farm experience events which are local favourites and a tourist draw.

Throughout its history, the Yorston family has been passionate about promoting agriculture. Over the years this farming business has evolved to both ensure the continuity of this farming legacy, as well as incorporate other emerging interests and passions.

By diversifying resources beyond its core business, Australian Ranch reaps the benefits of reducing business risk by meeting of customer needs while expanding its business base.

Top: Australian Ranch cattle pastures.
Bottom: Vicky Yorston, with family members, selling products at the Quesnel's Famers Market.

www.australianranch.ca

About Us

What is the Small Business Roundtable?

The Small Business Roundtable was established in 2005 to provide small business in British Columbia with a permanent voice in government.

Its mandate is to:

1. Engage in dialogue with small business to identify key issues and opportunities.
2. Develop recommendations to government and to small business owners on strategies to enhance the small business climate in B.C.
3. Champion small business interests in the province.

Chaired by the Minister of Small Business, Technology and Economic Development, the Roundtable has 20 board members who are recognized leaders in their small business communities.

Who do we represent?[1]

- 98 per cent of all businesses in British Columbia are small businesses.
- Small businesses provide nearly 57 per cent of all private-sector jobs, employing over one million people.
- Small business generates just over 41per cent of the total value of goods exported from B.C.
- B.C. small business is responsible for about 32 per cent of the province's GDP.

Number of small businesses per economic region, British Columbia, 2009

Region	Population[2]	# of small businesses[3]	# of small businesses per 100 people
1.Vancouver Island/Coast	772, 309	71,658	9.28
2.Mainland/ Southwest	2,667,496	231,206	8.67
3.Thompson-Okanagan	536,315	53,447	9.97
4.Kootenay	151,821	14,648	9.65
5.Cariboo	160,699	11,877	7.39
6.North Coast and 7.Nechako	98,320	6,334	6.44
8.Northeast	68,247	6,730	9.86
British Columbia	4,455,207	395,900	8.89

[1] Statistical source: Small Business Profile, BC Stats, 2010
[2] Source: BC Stats, Regional Population Estimates and Projections (2009 data)
[3] Source: Small Business Profile, BC Stats, 2010

Who Are We?

1. **Sue Adams**
Managing Partner
Bewendale Enterprises
WHISTLER

2. **Brenda Blair**
Owner
Blair Investments Ltd.
CRANBROOK

3. **John Cameron**
CEO
Rock Solid Business Coaching Inc.
LANGLEY

4. **Cindy Choi**
Manager
Chan & Company
VICTORIA

5. **Robert Fine**
Executive Director
Economic Development Commission of the Central Okanagan
KELOWNA

6. **Garth Frizzell**
Founder and CEO
Terra Cognita Software Systems Inc
PRINCE GEORGE

7. **Laura Jones**
Vice President
BC & Yukon, Canadian Federation of Independent Business
VANCOUVER

8. **Linda Larson**
Vice-Chair
Small Business Roundtable
OLIVER

9. **David Littlejohn**
Professional Campground Operator
Living Forest RV Park/ Oceanside Campground
NANAIMO

10. **Kelly McCormack**
Owner
KDM Business Services
SMITHERS

11. **Mark Nairn**
Owner/President
Beamac Installations Ltd.
WILLIAMS LAKE

12. **Cybele Negris**
President and Co-Founder
Webnames.ca inc.
VANCOUVER

13. **Coralee Oakes**
Executive Director
Quesnel & District Chamber of Commerce
QUESNEL

14. **Murray Presley**
Partner
Presley & Partners
COURTENAY

15. **Mark Startup**
President & CEO
Shelfspace – the Association for Retail Entrepreneurs
VANCOUVER

16. **Ian Tostenson**
President & CEO
British Columbia Restaurant & Food Services Association
VANCOUVER

17. **Sonia Virk**
Ioomratty and Virk Barristers & Solicitors
SURREY

18. **MJ Whitemarsh**
CEO
Canadian Home Builders' Association of BC
BURNABY

19. **Chief Judy Wilson**
Neskonlith Indian Band (Skeetsin)
CHASE

20. **John Winter**
President & CEO
British Columbia Chamber of Commerce
VANCOUVER

For inquiries contact

roundtablesecretariat@gov.bc.ca

Meeting Our Mandate

Engage in a dialogue with small business

Since 2005, there have been 44 Small Business Roundtable consultations, involving 854 small business owners, held throughout the province. These consultations give small business owners a chance to discuss small business issues and opportunities with the roundtable. Since the release of last year's annual report, consultations have taken place in Surrey, Prince George, Fort St. John, Quesnel, Victoria, White Rock, Vernon, Kelowna, Chilliwack and Kamloops. These consultations inform the recommendations presented in this report. More specific details about the issues raised during these consultations can be found at - www.smallbusinessroundtable.ca.

Provide recommendations to promote small business growth

The Small Business Roundtable board members are drawn from all regions of the province and represent different business sectors. Board meetings are held once a quarter, with ad hoc teleconferences as required. During these meetings, members share information on community initiatives, discuss ways of addressing small business issues and opportunities, and provide advice to government about proposed government strategies and programs.

Periodically, through our regular meetings and dialogue with small business, it becomes apparent that special attention needs to be focused on particular small business topics. As a result, the following subcommittees have been formed, which develop recommendations for consideration by the board as a whole.

1 | Regulatory Reform

Continued focus on regulatory reform has been among the roundtable's recommendations to government in all five of its annual reports to government. To help in this process, the roundtable established a subcommittee to advise on government's regulatory reform initiatives. In addition, regulatory reform has been included as a key agenda item for small business consultations.

Starfish Medical

Vancouver Island/ Coast Region

Starfish Medical provides design, engineering and custom manufacturing services for high technology medical products.

The company's team has expertise in engineering physics, electronics, software, firmware, mechanical engineering, industrial design and manufacturing transfer provides practical, cost-effective innovative solutions to its clients – a service pivotal to the successful commercialization of new products.

Starfish's extensive experience in medical device product development, from concept to manufacturing, helps its client companies overcome challenges related to engineering and operations.

Starfish's competitive advantage is its multi-disciplinary team of development and manufacturing experts. This team creatively builds solutions to enable the success of a growing number of international clients.

Starfish Medical has designed products, such as the one photographed above, that improve safety and increase the efficiency of laboratory automation, robotics, handheld devices, diagnostic devices, and therapeutic devices, to name a few.

www.starfishmedical.com

2 | Small business promotion and outreach

Established in 2008, this subcommittee develops strategies for providing timely information to a wider audience about the continued strength of British Columbia's small business sector.

3 | Development of the roundtable's annual report to government

Since the roundtable's inception in 2005, an annual report has been produced that provides highlights of the board's activities and presents recommendations to government and to the small business sector. The intent underlying the recommendations is that they contribute to the growth and success of small business as well as to development of government's strategy to enhance the small business environment in British Columbia.

Champion small business interests in the province

A strong small business sector supports vital economic growth and a supportive social fabric, with tangible benefits to all members of a community. With this in mind, the roundtable board supports the following organizations and programs that invest in fostering entrepreneurial ambitions and increasing the health of the small business sector throughout the province.

1 | Junior Achievement BC

Introducing youth to business and entrepreneurship Junior Achievement BC has been helping schools create the kind of workforce that companies want to hire by offering business and entrepreneurial educational programs in elementary, middle and high schools with the support of business volunteers from the local community.

Since 2006, the provincial government has provided the funding to expand and enrich program delivery to all 60 school districts, with particular focus on regional schools. The roundtable has taken an active role in supporting this partnership. Representing the roundtable, Linda Larson, Vice-chair, sits on Junior Achievement's board of directors to further strengthen the organization's ties to the small business community.

2 | Small Business BC

Strengthening small business through training and resources

The small business sector in B.C. is a diverse community with a wide range of needs. To address some of these needs, Small Business BC provides products and services accessible by small businesses in all the regions of the province. Small Business BC is a not-for profit organization jointly funded by the federal and provincial governments.

Since 2006, Small Business BC and its various partners have delivered over 1,000 video conference seminars and workshops to more than 13,000 seminar registrants. Small business owners throughout B.C. have taken part in a variety of seminars ranging from start up to succession planning. A roundtable member sits on the Small Business BC's governance board.

3 | Small Business Month

Recognizing and promoting small business success in B.C. Since 2007, British Columbia has dedicated the entire month of October to promoting and fostering recognition of small business's contribution to the province. Small Business Month activities take place throughout the province. These events celebrate entrepreneurship, women in business, youth in business, innovation, technology, and small business exporters – to name a few. 2009 marked the 30th year small business's contribution to the economy has been celebrated.

4 | Aboriginal small business and entrepreneurial development

The Aboriginal business community has a vital role to play in keeping our economy strong for the future. In B.C., the percentage of Aboriginal entrepreneurs under 25 is twice that of non-Aboriginal entrepreneurs (seven per cent vs. three per cent). To facilitate sustainable business development for Aboriginal groups who live both on and off reserve, efforts have been made by governments and service organizations to provide programs and training for the start-up and growth of a small business.

In July 2010, the Small Business Roundtable held its second Aboriginal-focused meeting in Kamloops to

determine how to best champion the voice of these emerging and essential small businesses. The meeting was attended by nearly 60 people, including a range of Aboriginal leaders and small business operators. The meeting focused on the effectiveness and expansion of existing training programs, as well as brainstorming new ways to support and promote the entrepreneurial endeavours of Aboriginals.

5 | 2010 Olympic and Paralympic business hosting program

Leveraging new economic opportunities

During the 2010 Olympic and Paralympics Winter Games, the B.C. government fully leveraged world attention on economic opportunities in the province. Through the Business Hosting Program, B.C.'s competitive advantages were showcased to hundreds of top business leaders and government dignitaries. Over the course of the Games, the hosting program included 113 events, including business networking events, high-level government-to-business networking sessions, daily business seminars and events highlighting our regions. About 15,000 participants and 1,000 companies attended these events.[4]

The long-term economic pay-off of the efforts made during the Games will only be fully realized over time. However, it is clear the business hosting program and the success of the Olympic and Paralympic Games intensified international awareness of British Columbia and highlighted the strong investment and business opportunities available – from clean energy to digital media.

Xomo Digital, featured to the right of this page, is just one example of a small business that has capitalized on the increased international awareness the Games have brought to the province.

[4] For more details on the outcomes of the business hosting program, see the following report: http://www.mediaroom.gov.bc.ca/DisplayEventDetails.aspx?eventId=494.

Xomo Digital Inc.

Vancouver/Southwest Region

Xomo has quickly emerged as the global market leader in providing location-aware mobile apps to events. After just one year in business, co-founders Jeff Sinclair and Ben West have built a great team and enviable client roster that includes some of the world's largest events, festivals and conferences.

Xomo's products showed promise from inception. One of the company's first clients was the Vancouver 2010 Winter Olympic Games where Xomo delivered the highly successful Official Mobile Spectator Guide, which was downloaded over 1 million times with rave reviews.

Event organizers worldwide trust Xomo's Mobile Event Guide product to deliver a feature-rich digital schedule that is always up-to-date, and use Xomo's Mobile Live Experience to let attendees share the excitement of the event from their Smartphone. Both products are available as native apps on multiple platforms (iPhone, BlackBerry, Android and as a Mobile Website) and in multiple languages.

Xomo's mobile social experience in action at the Vancouver Jazz Festival.

www.xomodigital.com

Recommendations to Government

Through our annual consultation process, business owners are given the opportunity to raise their issues and ideas directly to the minster responsible for small business in the province. The following recommendations reflect what was heard during those sessions as well as submissions from board members:

1 | Continue to instil consumer and business confidence

- Continue to consult with small business and consider their feedback when developing government policy and programs.
- Communicate to communities the important contribution small business makes to the economy.

2 | Training and labour market development

- Continue to support small businesses in the areas of recruitment, retention, and succession planning, including attracting seasoned management with expertise in growing companies.
- Continue to support small businesses through shifts in demographics and the labour market, including ensuring that their needs are considered under the Labour Market and Labour Market Development Agreements.
- Continue the Workplace Training for Innovation pilot program. The program is designed to provide eligible employers with funding for employee training and has been well received by the small business community. One drawback to the program is that it excludes business owners and the self employed. This is a considerable gap given there are twice as many self-employed without paid help than with paid help in the province . As well, in small businesses where owners are an integral part of daily operations, training employees without including the owners may not result in workplace changes.
- Continue to back Aboriginal business support services centres, including the First Citizens Fund and Aboriginal business and entrepreneurship skills training programs.

Heartstrings Home Decor Ltd.

Nechako Region

Heartstrings Home Decor is a destination retailer of home furnishings in Smithers. It offers an extensive line of locally made select home furnishings, which is coupled with extraordinary customer service.

The vision of the owners Tim and Sherri Matthews, was for the company to be the furniture retailer of choice for B.C.'s North. They wanted to create a store with items so special that it would draw customers from a wide geographical area. Having recently moved into a new 10,000-square-foot store, it's clear they are realizing their dream.

Maintaining a focus on delivering experiences that exceed expectations, Heartstrings has achieved significant retail growth. The Matthews attribute their success to a love for what they do, which flows to their caring, long-term staff and loyal customers. Sherri Matthews explains, "We believe in a hands-on approach to our business. With everything from purchasing from local suppliers to the delivery of a new piece of furniture to a home, our business is built on developing and maintaining positive relationships."

Top: Tim and Sherri Matthews outside their business in Smithers, B.C. Bottom: Local hand-made furniture featured in Heartstrings' showroom.

www.heartstringsdecor.com

3 | Leverage technology and competitiveness

- Encourage small businesses to leverage new technologies, innovations, and ideas to make productivity gains.
- Continue to focus on enhancing the competitiveness of British Columbia's tax structure.
- Continue to invest in diversifying northern B.C.'s economy, particularly in developing the bio-energy industry and other secondary industries and manufacturing related to the extraction of natural resources. This needs to be supported by a commitment to further communication and transportation infrastructure improvements in the North, including the completion of the Cariboo Connector and upgrades to Highway 16 from Prince George to Prince Rupert.
- Continue to support small business in taking steps to counteract climate change.
- Investigate further ways to promote online business development (e-commerce).

4 | Focus on factors that stimulate small business growth

- Encourage small businesses to grow by expanding their markets both nationally and internationally. Support this by ensuring that small businesses play a prominent role in British Columbia's international trade outreach.
- Continue to help small business explore new ways to increase access to capital, including providing a directory of various funding programs and grants available for businesses at different lifecycle stages: research and development, feasibility study and business planning, start-up capital, marketing development, bridge financing, and operational capital.
- Continue to expand the reach of services and training to all regions of the province, through video conferencing centres and partnerships with local communities.
- Continue to support accelerating the commercialization of technology through organizations like the British Columbia Innovation Council.

Eagle Plains Resources Ltd.

Kootenay Region

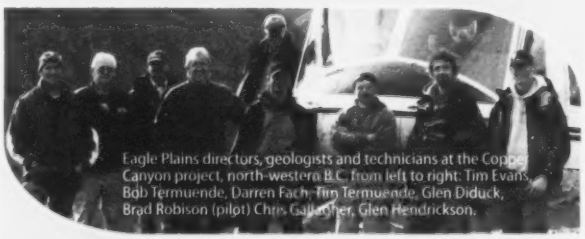
Eagle Plains Resource is an exploration and mining company with its headquarters in Cranbrook. It has one gold mining operation (Yellowjacket Gold Project) and over 35 mining exploration properties. Its properties include prospects for gold, silver, copper, uranium, molybdenum, zinc, lead, rare earth minerals, gallium and industrial minerals.

The company's main objective is to explore mineral deposits in Western Canada - and then sell successful exploration projects to larger companies, or enter into joint ventures to develop or create new companies to develop them.

In business for over 18 years, Eagle Plains has a successful competitive strategy. It stems from the expertise of its seasoned staff, its systematic business processes and its unique contrarian acquisition strategy.

Tim Termuende, president and CEO, explains "The management of Eagle Plains adheres to the mantra that 'crisis equals opportunity'." By taking advantage of market and commodity downturns, Eagle Plains seizes opportunities at fire-sale prices, and by using in-house expertise is able to add further value to a project.

The Copper Canyon claims originally staked in 1956 and held in good standing for over 45 years are a great example. These claims lapsed and were re-staked in 2001 when the mining, exploration and investment sentiment in B.C. was at an all-time low. In just under six years, this $15,000 investment turned into a market capitalization of around $85 million. "With this strategy, we intend to show that lightning can strike more than once," Termuende says.



Eagle Plains directors, geologists and technicians at the Copper Canyon project, north-western B.C. from left to right: Tim Evans, Bob Termuende, Darren Fach, Tim Termuende, Glen Diduck, Brad Robison (pilot) Chris Gallagher, Glen Hendrickson.

www.eagleplains.bc.ca

- Continue to explore new opportunities that align with B.C.'s Aboriginal Economic Development Action Plan to further build self-reliance, prosperity, and economic stability in Aboriginal communities. This includes annual Aboriginal-focused Small Business Roundtable sessions.

5 | Continue to reduce regulatory burdens on small business

- Continue to work with other governments (federal, provincial and local) to further reduce regulatory complexity and duplication (e.g., through programs like BizPaL, One Stop and the Mobile Business Licence).
- Continue the commitment to regulatory accountability through the use of the Small Business Lens, and consider amending legislation to require public reporting of progress in reducing regulatory complexity.
- Advocate on behalf of small business and encourage the federal government to ensure credit card practices are fair to small businesses.

6 | Further enhance the entrepreneurial culture in British Columbia

- Raise awareness of the importance of entrepreneurship and trades training programs to educators, including continued support for Junior Achievement and similar programs in our school system.
- Investigate ways to expand mentorship programs for new entrepreneurs.

Lindberg Construction Inc. /Swamp Donkey Oilfield Services Inc.

Northeast Region

The investment adage 'diversification creates stability' can certainly be applied to Trent Lindberg, an entrepreneur who operates multiple businesses in northern B.C.

Twenty years ago, he started his first business: Lindberg Construction, specializing in concrete services. When business conditions became tough, he expanded into real estate development. Diversifying enabled all of his lines of business to thrive – to the point where in June of this year, he passed ownership of Lindberg Construction on to his brother Gerald to accommodate the growth.

Trent Lindberg's primary focus right now is Swamp Donkey Oilfield Services Inc., which offers services to the oil and gas industry in northeastern B.C. and northern Alberta - but he's prepared for more change.

"We plan to keep growing and expanding, not only adding to our number of employees and job capabilities, but also to the level of service and quality we can provide to our customers," he says.

www.lindbergconstruction.ca
www.swampdonkey.ca

Recommendations to the Small Business Community

As British Columbia navigates out of the economic downturn, the focus for small business is on shorter-term success and competitiveness. However, to lose sight of the long-term economic view would mean missed growth opportunities. In the years ahead, small businesses will need to be prepared for the anticipated shifts in the labour market and consumer trends. They will also need to exploit export opportunities and consider the mounting concerns over climate change and other environmental issues. The following recommendations highlight possible actions for small businesses in six key areas:

1 | Focus on human resources

- Ensure your company's human resource plan accommodates the anticipated major changes in the labour market from the aging of B.C.'s population.
- Take steps to ensure you have the right skill sets and adequate staffing levels to remain competitive, and to maintain and grow your business.
- Focus on creative employee retention strategies.
- Continue to invest in the capabilities of employees – grow the expertise you need.
- Recruit from 'non-mainstream' groups for potential employees – Aboriginal, seniors, immigrants, and those with disabilities. Three good places to start:
  - WorkBC's Finding Workers website: http://www.workbc.ca/employers/finding_workers/hire_immigrants_in_bc.htm.
  - Hiring Person with Disabilities booklet: http://www.workbc ca/docs/toolKit_Book3.pdf
  - Hiring Mature Workers booklet: http://www.workbc.ca/docs/toolKit_Book2.pdf
- Discover ways to better market your company to the young workforce.

2 | Get involved

- Get to know what is happening in your community at the planning level – attend city council meetings, get involved with local community service groups, be aware of regional initiatives taking place. Increased knowledge of what's happening may provide insights to potential new business opportunities for diversification and development.
- Volunteer your business expertise in youth programs, such as Junior Achievement – you can help shape the future workforce.
- Expand your networks – join a business or entrepreneurship group, an industry association, or the local chamber of commerce and board of trade.

3 | Develop your leadership skills and knowledge

- Identify your strengths and areas for improvement and decide what training would be of greatest benefit to you. The HR Quiz (hrskills.smallbusinesscheckup.com/hom.html) can help.
- Participate in training programs that focus on key management roles or management skills.
- Take advantage of learning from seasoned entrepreneurs through one of the mentorship programs available through entrepreneurs' groups or business associations.

4 | Leverage new technologies

- Use technology to improve your operations and increase productivity. Learn about ways to maximize the effectiveness of your company's business processes.
- If you haven't already, consider developing a web presence. A website has become a fundamental business tool. If you already have a website, keep current with ways you can reap additional benefits from its use.
- Learn how to use technology to attract and retain customers. To learn more, contact the eBusiness Connection at – www.e-bc.ca.

5 | Access new markets

- Investigate how exporting can benefit your business. With e-commerce and other communications technologies, small businesses have become more involved in exporting than ever before. For example, exports in areas like financial services, design and engineering, accounting, computer and data services or coaching and mentorship can be extended into larger markets. Find out more through www.tradestart.ca.

6 | Take advantage of green initiatives

- Look to online services such as Live Smart BC (www.livesmartbc.ca) to see how green initiatives can provide a competitive advantage and increase revenues for your business.
- Take advantage of programs that assess business operations to determine the most efficient uses of resources (www.bchydro.com/powersmart).

7 | Leverage small business resources; communicate to government

- Make use of tools and resources provided by the government. Examples include:
  - Ministry of Small Business, Technology and Economic Development - www.resourcecentre.gov.bc.ca/
  - Small Business BC – www.smallbusinessbc.ca
  - Work BC - www.workbc.ca
- Communicate your needs to government through your MLA. If you don't know who the elected provincial representative is in your area, visit: www.leg.bc.ca/mla/3-1-1.htm.
- Connect with the Roundtable and participate in small business consultations that take place in your community. Visit our website at www.smallbusinessroundtable.ca for more information, or email us at roundtablesecretariat@gov.gc.ca.

Elite Beauty Group

North Coast Region

Elite Beauty Group owns and operates two aspects of the health, beauty and well-being business in northern B.C.: Santé Skin & Laser Centre is Terrace's first and only doctor-based medi-spa; and partnering with AVEDA, Studio 3 Salon & Spa is the largest full service salon and spa in the North Coast region.

Originally a home based business Elite Beauty Group has now grown to include 26 employees doing business in Terrace as well as reaching out to nearby communities, such as the clinic in Smithers. Owner Diana Alexander says: "It has taken a lot of energy, sweat and tears. I could not have built Elite into what it is without the support of my husband and the dedication of my wonderful team of staff who give me 100 per cent every day. This in turn keeps me motivated as a leader to continue to take risks."

The swift and steady growth of this group stems from its strategy to target the entire North as its marketplace, with the vision of delivering cosmetic solutions for clients who previously had to travel to larger cities for similar care.

Top: Diana Alexander, far bottom right, pictured with a few of her staff. Bottom: A close up photo of the hair salon, one aspect of Elite Beauty wide-range of services.

www.studio3spa.ca

The Voice of Small Business Is Being Heard

Since the inception of the Small Business Roundtable, the small business community has consistently identified the following as the key areas for supporting small business success:

1. Provide human resource access, development and education.
2. Simplify regulatory complexity.
3. Ensure a competitive tax environment for business.

This message is being heard. The following are some examples of provincial government programs developed to address these key priorities. However, while progress is being made, more can be done. All levels of government must continue to focus on removing business barriers if we are to achieve the goal of the most small business friendly jurisdiction in Canada.

1 | Human resource access, development and education

Information and tools

The WorkBC website has been upgraded to include refreshed human resource guides and new tools for small business to address HR needs, allowing small business and job seekers more success in navigating B.C.'s labour market. For more information, visit: www.workbc.ca.

Small Business BC

With the support of federal and provincial funding, Small Business BC has expanded access to its small business training programs through a network of video conferencing centres in all regions of the province.

Training for small business employees

Under the SkillsPlus program, $4 million has been invested for work-place-based essential skills training for employees of small and medium-size businesses. For further information, see www.aved.gov.bc.ca/skillsplus.

The Workplace Training for Innovation Program

provides $15 million to help to assist small businesses in training their employees, thereby enhancing the businesses' productivity and competitiveness. Businesses can directly apply directly for funding to a maximum of $1,500 per employee or $5,000 per employer. For further information, see www.aved.gov.bc.ca/workplace_training_program/welcome.htm.

2 | Regulatory complexity

Regulatory reform

The Small Business Roundtable strongly supports the government's regulatory reform program. The roundtable developed the Small Business Lens, which was incorporated into the government's regulatory checklist in 2007 to ensure the potential impact of new regulations on small business is considered. The roundtable commends the government for its success in achieving a 42 per cent reduction in regulatory requirements since 2001. However, despite this success, many small businesses have yet to feel the effects of this regulatory reduction.

To help the provincial government with its regulatory reform program and ensure it achieves real, on-the-ground results for small business, the roundtable has established a regulatory reform subcommittee. The subcommittee is working collaboratively with government to identify opportunities for improving B.C.'s regulatory environment by streamlining services and reducing red tape. Also, during small business consultations throughout the province, business owners are now being asked to identify particular regulations that create the greatest difficulties. This will help government focus its efforts on regulatory reforms with the greatest potential to help small business owners.

Straight*forward* forms initiative

The Province has started work to transform government forms and business processes to make them more citizen-centred and to make better use of technology. The goal is to save both time and money for small businesses.

Improved trade and labour mobility

The British Columbia-Alberta Trade, Investment and Labour Mobility Agreement (TILMA), fully implemented in April 2009, removes barriers to doing businesses

between the two provinces. This gives businesses greater opportunities to grow and compete outside of British Columbia, and the cost savings from reduced barriers to be reinvested or passed on to consumers. TILMA also benefits investors, businesses, workers and consumers through increased choice and opportunities. The recently signed New West Partnership builds on this work by creating a barrier-free trade and investment market among B.C., Alberta and Saskatchewan.

3 | Competitive tax environment

Tax competitiveness

A competitive tax system that reduces taxes and improves British Columbia's profile for trade and investment is imperative for the growth and prosperity of the province. Since 2001, the B.C. government has taken important steps to improve the tax system by reducing personal and corporate income taxes and eliminating corporate capital taxes.

The small business income tax rate has been cut by 44 per cent, resulting in small business savings of more than $400 million a year. By April 2012, the tax will be eliminated entirely. The threshold for small business income tax has also been raised to $500,000, the highest threshold in Canada, saving small business another $20 million each year.

The implementation of the harmonized sales tax (HST) is another measure that reduces cost and complexity for small business and furthers the economic competitiveness of the province.

With the HST, businesses now only have to remit one tax form rather than two, reducing the tax complexity and saving business an estimated $150 million annually in administrative costs. In addition, businesses no longer pay tax on goods and services acquired to run their business, such as vehicles, utilities, and office supplies. Overall, it is estimated that the HST will lower business costs by about $2 billion, savings that can be used to lower selling prices or reinvest in the business. Given that 98 per cent of businesses in the province are small business, much of these savings will be realized by small business owners.

In the 2009 Annual Report to Government, the roundtable stated that although the transition to the HST would pose difficulties to certain industries, there were some encouraging solutions being developed to address concerns. We are pleased that the government has introduced mitigation measures for industries like tourism and home construction that were affected by the HST.

It is unfortunate the government did not provide clear, timely information on the implications of HST at the time it was announced. This generated widespread misinformation and misunderstanding, even among those small business owners who will clearly benefit from HST. Although the HST information available today has improved considerably, it is difficult to counter the misinformation once it is in the public realm. In the future, government should ensure that such major policy shifts are accompanied by clear information so businesses and individuals have the information they need to fully understand the reasons for the change, and the benefits these changes will have for them.

Our Commitments Moving Forward

The Roundtable will continue to fulfill its mandate by:

- Continuing the dialogue with the small business community, through consultations and participation in local small business activities, to keep current with existing and emerging small business issues.
- Advising on, and supporting, government programs that deliver value to the small business community.
- Continuing to seek ways to champion the interests of small businesses throughout the province.

Chinook Cove Contracting

Okanagan-Thompson Region

Chinook Cove Contracting, owned by Don Matthew, a Simpcw First Nation member, provides timber harvesting and silviculture services.

The company's commitment and operations relating to silviculture – the branch of forestry that deals with the development and care of forests – has become renowned.

In business for over a decade, the company has established a reputation for its sustainable forestry and safety practices. This contributed to its success in winning the bid to operate in the ecologically sensitive Jasper National Park area, a UNESCO World Heritage site.

According to Don Matthew, Chinook Cove's success is due to "great lines of communication - from the very first safety meeting to when the final machine is being moved out, no one is afraid to speak with anyone else to make sure goals are met."

BRITISH COLUMBIA'S
Small Business Roundtable

QP #4500222938